



By: *Ferry Biedermann*

# Undoing Brexit, at best the beginning of the beginning



The European Union and the UK are in for many years of extraordinarily careful and wrought manoeuvring to rebuild even a shadow of what was lost in Brexit.

At the very best, the Labour landslide of 2024 can signal the starting point of an examination that both sides now have to carry out, of how to move forward.

Not in his lifetime, Britain's new Prime Minister and Labour leader Keir Starmer **said** about his country rejoining the EU, the single market or the customs union, shortly before his landslide victory. "In a century or two," is the **estimate** of Jean-Claude Juncker, the former president of the European Commission.

Even the current Commission president, Ursula von der Leyen, making a positive case for the UK to rejoin, said it was for the next generation to "fix it".

These are remarkable statements, given both the glaring necessity for both the EU and UK to undo Brexit and the geostrategic and economic urgency it has acquired.

## Economic imperative

The economic imperative has become ever clearer to the British public and rejoining at least the single market would help Labour no end in achieving its promise of growth.

The EU, from its side, at the time regretted the British exit but there was also a, justifiable, sense of good riddance to a difficult member state. Not to speak of a certain amount of schadenfreude in the shambolic way it played out.

That has changed, though, in the light of mounting geostrategic challenges, be it Russia, China, the Middle East or the prospect of new Trump presidency.

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Also, the EU risks being **undermined** from within by a variety of Eurosceptic, pro-Putin, far-right and populist forces, both in the European parliament and among the heads of government of its member states. A relatively stable and centrist Britain would now surprisingly offer a welcome counterbalance.

In principle, Britain rejoining the EU should pose no major problem. In contrast to the current crop of EU-candidates, there are no real alignment issues. Instead, the obstacles are almost exclusively political, and these have only grown in complexity since the Brexit referendum in 2016.

## Internal opposition

In an increasingly fractious and internationally challenged EU and an increasingly introverted and polarised UK, even careful moves towards an improvement of ties could meet fierce internal opposition.

This would be especially true for the UK, where Labour has effectively blocked options for any real rapprochement in its pre-election promises and where the party has to thread carefully in view of waver-thin margins in a slew of seats.

There's also the extraordinary success, with more than 14 percent of the vote, of the Eurosceptic, right-wing populist Reform UK party of arch-Brexiteer Nigel Farage.

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But it's not only the British who have no appetite for a return to the Brexit wars. For the EU too, a reverse repeat of the gruelling Brexit negotiations would once again eat up time and resources it might better employ elsewhere.

The Brussels bureaucracy has already signalled its impatience with the kind of Swiss approach

that the UK is seemingly intent on taking, of making numerous piecemeal deals that are limited in scope and time.

Finally, there's still a very strong sense in Brussels that the UK should not be allowed to have its cake and eat it too. Being outside the bloc should come at a cost. And allowing Britain to pick and choose would also send a problematic signal internally, where various Eurosceptic government are eyeing opt-outs.

## The UK's political constraints

In practice, this has not stopped some forms of cooperation to be resumed, such as Britain rejoining the bloc's scientific research and innovation programme, Horizon. But from the Brussels perspective there should both be strict limits to this and it should be of clear benefit to the EU.

This is why Labour plans for easing trade restrictions without being inside the single market or customs union are bound to achieve only very limited results.

The real blockage, as usual, is due to the UK's political constraints, whether under a Conservative or now a Labour administration. Re-joining Horizon was easy enough because it was uncontroversial in terms of UK politics.

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It hardly involved the most sensitive aspect of the relations: freedom of movement. It didn't involve the UK following major EU rules or regulations and there was a relatively simple mathematic to the benefits outweighing the costs.

But other 'no-brainers' such as re-joining the bloc's Erasmus student exchange programme

smacks too much of a restoration of freedom of movement and can prove to be problematic.

When the European Commission in April this year offered an extraordinarily generous youth-mobility scheme to the UK, both the Conservative government and Labour rejected it out of hand, mostly because it would be seen as a step towards restoring freedom of movement.

## A catch-22 situation

There are two other lessons that can be learned from the youth-mobility fiasco. First of all, it seems the Commission sprang into action to forestall individual member states signing separate bilateral agreements, which the UK would prefer.

This would point at a way in which Brussels can actually be pressured into making concessions. On the other hand, Von der Leyen now knows that she can disarm this threat by making the UK a generous offer that it will then nevertheless refuse because of its internal politics.



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There was also a suggestion that the UK was reluctant to offer much cheaper home fees for EU-students at British universities. This could point at an additional constraint both sides now have to deal with: a lack of money to ease a rapprochement.

Starmer is facing a catch-22 situation. He has limited options and means to improve

relations with the EU beyond the symbolic. But symbolic steps without major benefits would only cause unnecessary political ructions.

Still, the biggest part of the British opposition to the EU has always been symbolism. No one can by now seriously deny the economic benefits the UK reaped as part of the EU. And migration has proved to be even more of a problem outside the EU than in it.

The challenge the coming years for both sides is to structure a relationship that will increase the sense among the British public that it needs closer ties. It will also require political leadership that dares to go against the Eurosceptic populists in parliament as well as their cheerleaders in the right-wing press.